

VACATION LEAVE BALANCE INCREASE PROPOSAL

General Government & Social Services Committee

March 7, 2023



LEXINGTON



Agenda

- Overall Leave Categories and Accruals
- Exceptions During the Pandemic
- Where We Are Today
- Comparative Entities
- Proposal



Leave Categories

- There are four major leave categories for classified and unclassified civil service employees:
 - Vacation
 - Sick
 - Holiday
 - Compensatory Time
- All are outlined in the Code of Ordinances



How Leave is Accrued and Banked

- Sick Leave (Section 21-34)
 - Employees earn 10 hours a month for every fully completed month of service.
 - Employees are paid out for any accrued leave above 600 hours in January of each year.
- Holidays (Section 21-38)
 - Employees earn two swing holidays each year in January.
 - Employees are provided holiday hours based on their work schedule as holidays occur (those with 8-hour work days earn 8 hours and those with 10-hour work days earn 10 hours).
 - Employees may carryover 80 hours of holiday each year and the cutback is performed at the end of the pay period in which December 31 falls.
- Compensatory Time (Section 21-37.1)
 - Exempt employees earn one hour for each hour worked over 40 hours.
 - Employees may accrue and continually carry a maximum of 120 hours (increased from 80 hours in February 2021).



Vacation Leave

- Section 21-33 of the Code of Ordinances
 - All full-time classified civil service employees earn 10 hours of vacation leave per month for the first ten years of service and 14 hours of vacation leave per month after ten years of service.
 - Full-time unclassified civil service employees are afforded the same benefit within separate ordinances in Chapter 22.
- Per this same section, employees are allowed to carryover 168 vacation hours each calendar year. That cutback is performed at the end of the pay period in which December 31 falls.



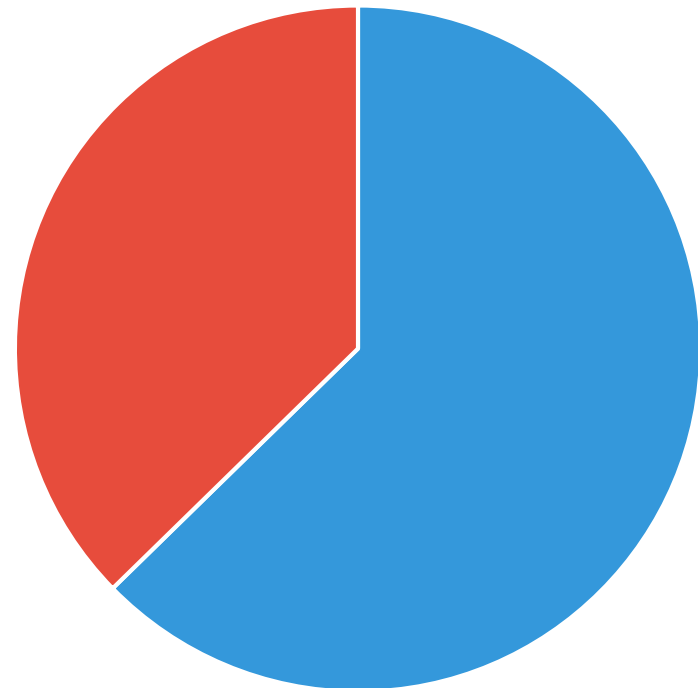
Exceptions During the Pandemic

- During the pandemic, the Council approved ordinances that provided employees the opportunity to carry over all accrued vacation hours.
 - Ordinance 057-2020 – Extended cutback that was scheduled on December 31, 2020 to December 31, 2021
 - Ordinance 006-2021 – Extended cutback that was scheduled on December 31, 2021 to December 31, 2022
 - Ordinance 104-2021 – Extended cutback that was scheduled on December 31, 2022 to December 31, 2023
- The Council also approved an ordinance that provided employees the opportunity to carry over all accrued holiday hours for 2021 and 2022.
 - Ordinance 105-2021 – Extended cutback that was scheduled on December 31, 2021 to December 31, 2023

Where We Are Today

- 1,439 full-time classified and unclassified civil service employees
 - 902 earning 10 hours per month
 - 537 earning 14 hours per month

Monthly Vacation Accrual Rate



■ 10 hour accrual ■ 14 hour accrual



Current Vacation Leave Balances

- Keeping in mind that employees will continue to accrue vacation leave each month, and considering employees who have been employed for at least 18 months, we currently have 342 employees, or 28% of employees with the following balances as of January 26, 2023:
 - 15 with over 600 hours
 - 21 with 500-599 hours
 - 32 with 400-499 hours
 - 78 with 300-399 hours
 - 196 with 200-299 hours



Comparative Entities - Vacation

*Entities that utilized days instead of hours were converted to hours based on an 8-hour workday

Entity	Vacation Carry Over	Notes
Commonwealth of Kentucky	240-480 hours, depending on months of service	<ul style="list-style-type: none"> • Excess leave above allowable max will be converted to sick leave at the end of a calendar year or upon retirement • Separation payout for accumulated unused balance up to the allowable carry forward max unless separated for cause
Louisville	560 hours at the end of every pay period	<ul style="list-style-type: none"> • Separation payout of any accumulated unused balance up to 320 hours. Any time left over shall be deleted • Former employee paid out for accumulated unused balances must wait 8 weeks before they can be rehired
Greensboro, NC	240 hours	<ul style="list-style-type: none"> • Leave balance over 240 hours as of January 31 each year will be converted to sick leave • Separation payout for accumulated unused balance
Knoxville, TN	Twice the annual leave accrual rate, not to exceed a balance of 384 hours	<ul style="list-style-type: none"> • Leave in excess of the maximum carryforward limit is subject to forfeiture • Separation payout for accumulated unused balance not to exceed 384 hours • If employee exhausts all available sick and annual leave, the agent (division) may request a restoration of unused sick and/or annual leave that was forfeited



Proposal

- We are comfortable with where we stand with regard to our policies for sick, holiday and compensatory time.
- We propose to increase vacation leave carryover from 168 hours to 336 hours and cap vacation leave payouts upon separation at 336 hours.
 - This proposal allows any employee who separates prior to December 31, 2023 to receive payment for all accumulated vacation per the Code of Ordinances.
 - All employees would be cut back to 336 hours at the end of the pay period in which December 31, 2023 falls.
 - Employees would then continue to accrue vacation leave at their normal rates and **would receive payment for up to 336 hours of vacation leave upon separation.**

Questions?



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